STATE OF MAINE PUBLIC UTILITIES COMMISSION

Docket No. 2002-9

January 23, 2002

FOX ISLAND ELECTRIC COOPERTIVE, INC. KENNEBUNK LIGHT & POWER COMPANY Request for Approval of Wholesale Contract

ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

We grant the request of Fox Island Electric Cooperative (FIEC) and Kennebunk Light & Power District (KLPD) that they continue to be the default providers in their respective service territories through a renewal of the existing wholesale supply contracts until their termination on May 31, 2005.

II. BACKGROUND

On December 7, 1999, the Commission, pursuant to 35-A M.R.S.A. § 3212(2), directed FIEC and KLPD to provide default service in their respective territories. *Order*, Docket No. 99-748 (Dec. 7, 1999). The utilities had conducted a bid process to select a standard offer provider for their territories, but received no bids. The utilities thus requested that they be directed to provide default service through their pre-existing wholesale supply contracts. The Commission granted the request for the period March 2000 through February 2001, stating that the utilities may petition to be relieved from conducting a bid process for the period beginning March 1, 2001 if the then existing market conditions indicate that such a process would not yield more attractive proposals then the current wholesale contracts.

On September 8, 2000, FIEC and KLPD petitioned the Commission to be relieved of conducting a standard offer bid process and to be allowed to continue to use the existing wholesale contracts for default service. The Commission granted that request on October 31, 2000, stating that the current market conditions did not warrant the expense of a bid process and the utilities' customers were best served through the existing requirement contracts. *Order*, Docket No. 2000-760 (October 31, 2000).

On January 10, 2002, KLPD and FIEC requested that the Commission authorize their continued provision of default service through a renewal of the contracts with their wholesale provider from June 1, 2002 through May 31, 2005. KLPD and FIEC provided indicative prices of the wholesale supplier under protective order, and indicated orally that they obtained price quotes from several other suppliers that were not as attractive as their current supplier's bids.

III. DECISION

We have reviewed the indicative pricing presented by KLPD and FIEC and find them to be consistent with current market conditions. We conclude that a more extensive bid process is not warranted. KLPD and FIEC are hereby authorized to continue as the default provider in their respective territories through a renewal of the existing wholesale contracts until termination on May 31, 2005.

Dated at Augusta, Maine, this 23rd day of January, 2002.

BY ORDER OF THE COMMISSION

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR: Welch

Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

- 5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:
 - 1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
 - 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
 - 3. <u>Additional court review</u> of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.